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June 28, 2013

Hon. Arne Duncan
Secretary
U.S. Department of Education
400 Maryland Avenue, S.W.
Washington, DC 20202-1510

Dear Secretary Duncan:

Bethel University is a respected and historic institution of higher education located in my Minnesota congressional district. I have been on the Bethel campus many times and have the highest regard for the University's administration, its faculty, and its committed and engaged student body.

I am writing to ask for your immediate attention to work with Bethel University officials and my office to resolve a matter of deep concern. The attached letter from Bethel University's president, James Barnes III, outlines the Department of Education's claim that the University has failed to meet financial responsibility standards established by the Department for the fiscal year ending May 31, 2012. In the past, as President Barnes letter states, Bethel has "always easily exceeded the Department's financial ratio test."

Following review by an independent auditor, four errors in the Department's calculation of expendable net assets were identified. As the attached letter states, "in each instance, the Department's calculation was either inconsistent with federal regulations or with generally accepted accounting principles (GAAP) – or both." Rather than a composite score of 0.4/3.0 as determined by the Department, the external independent audit firm of CliftonLarsonAllen, LLP determined a score of 2.4/3.0 when the four errors are corrected. Using the corrected score Bethel far exceeds the minimum score of 1.5 necessary to meet the requirement of the financial standards.

Unfortunately, the Department's response to Bethel rejected their appeal without properly addressing their concerns about these errors in calculation. This failure to directly consult with the University or their independent auditors is of great concern to me and completely unacceptable considering the dire consequences associated with the Department's determination.

Bethel University has a long record of sound financial management and they strongly dispute the Department's determination. Therefore, I am requesting the following assistance from the Department:

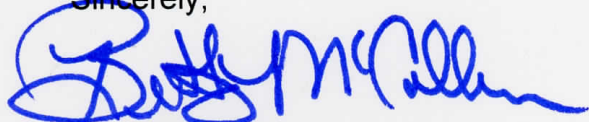
- 1) An immediate 90 day delay from the July 17, 2013 deadline requiring Bethel University to submit an irrevocable letter of credit to the Department.
- 2) A meeting with appropriate Department officials, Bethel officials, and my office to attempt to resolve this matter.

This matter is of great importance to me, the Bethel University community, and the thousands of Bethel students I proudly represent.

Please feel free to contact my chief of staff, Bill Harper, at bill.harper@mail.house.gov or by phone so we can start to resolve this matter as soon as possible.

I greatly appreciate your attention to this important matter.

Sincerely,



Betty McCollum
Member of Congress

cc: Hon. Amy Klobuchar, U.S. Senator
Hon. Al Franken, U.S. Senator
President James H. Barnes III, Bethel University
Mr. Paul Cerkenik, Minnesota Private College Council
Ms. Sarah A. Flanagan, National Association of Independent Colleges
and Universities (NAICU)

ATTACHMENTS ENCLOSED